

D.T.E. 02-77

Petition of Western Massachusetts Electric Company requesting approval of its 2003 Rate Change Filing and of changes to its rate tariffs effective January 1, 2003, pursuant to G.L. c. 164, § 1A(a), 220 C.M.R. § 11.03(4) and the Restructuring Settlement Agreement approved by the Department of Telecommunications and Energy in D.T.E. 97-120.

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Western Massachusetts Electric Company
260 Franklin Street, 21st Floor
Boston, MA 02110-3179
FOR: WESTERN MASSACHUSETTS ELECTRIC
COMPANY
Petitioner

I. INTRODUCTION

On November 26, 2002, Western Massachusetts Electric Company (“WMECo” or “Company”) filed with the Department of Telecommunications and Energy (“Department”) a Rate Change Filing along with proposed changes to its tariffs pursuant to G.L. c. 164, § 1A(a), 220 C.M.R. § 11.03(4) and the Restructuring Settlement Agreement approved by the Department of Telecommunications and Energy in D.T.E. 97-120.¹ According to the Company, the rate adjustments affect WMECo’s standard offer service charge, transmission charge, transition charge, default service adjustment factor, and a statutorily mandated reduction to the renewable energy charge. The Company proposes that its proposed rate adjustments take effect for consumption on and after January 1, 2003.

On December 6, 2002, the Department issued a Notice requesting comments on the Company’s proposed Filing. Notice was issued to all the participants in Western Massachusetts Electric Company, D.T.E. 97-120 (1999) (WMECo’s Restructuring Order) and Western Massachusetts Electric Company, D.T.E. 02-20 (the Department’s ongoing investigation into costs for the period January 1, 2002 through December 31, 2002). On December 19, 2002, the Department received comments from the Office of the Attorney General.

The proposed changes in rates include the following: a transition charge rate of \$0.01424 per kilowatt hour (“KWH”); a transmission charge rate of \$0.00397 per KWH; a standard offer service rate of \$0.04938 per KWH; a default service adjustment factor of

¹ The amended tariffs filed by the Company are M.D.T.E. Nos. 1000I through and including 1008I, 1009J, 1010J, 1011I through and including 1013I, 1034D and 1035D.

\$0.00067 per KWH; and a statutorily mandated reduction to the renewable energy charge from \$0.00075 to \$0.00050 per KWH. The Company states that the net effect of these adjustments result in a 1.8 percent increase from current rate levels (Rate Change Filing at 1).

The Department determines that further investigation is necessary into this filing. The Department finds, however, that the rate changes filed by the Company on November 26, 2002, for consumption on and after January 1, 2003, are in compliance with Department precedent,² and are consistent with G.L. c. 164, § 1B(b) and WMECo's restructuring plan. The rate changes are subject to reconciliation pursuant to the Department's investigation of the Company's next reconciliation filing.

II. ORDER

After due notice and consideration, it is

ORDERED: That the rate changes filed by Western Massachusetts Electric Company with the Department on November 26, 2002, M.D.T.E. Nos. 1000I through and including 1008I, 1009J, 1010J, 1011I through and including 1013I, 1034D and 1035D, are ALLOWED; and it is

² Western Massachusetts Electric Company, D.T.E. 97-120 (December 17, 1999 Letter).

FURTHER ORDERED: That the rate changes for Western Massachusetts Electric Company are ALLOWED subject to reconciliation pursuant to the Department's investigation.

By Order of the Department,

Paul B. Vasington, Chairman

James Connelly, Commissioner

W. Robert Keating, Commissioner

Eugene J. Sullivan, Jr., Commissioner

Deirdre K. Manning, Commissioner

Appeal as to matters of law from any final decision, order or ruling of the Commission may be taken to the Supreme Judicial Court by an aggrieved party in interest by the filing of a written petition praying that the Order of the Commission be modified or set aside in whole or in part.

Such petition for appeal shall be filed with the Secretary of the Commission within twenty days after the date of service of the decision, order or ruling of the Commission, or within such further time as the Commission may allow upon request filed prior to the expiration of twenty days after the date of service of said decision, order or ruling. Within ten days after such petition has been filed, the appealing party shall enter the appeal in the Supreme Judicial Court sitting in Suffolk County by filing a copy thereof with the Clerk of said Court. (Sec. 5, Chapter 25, G.L. Ter. Ed., as most recently amended by Chapter 485 of the Acts of 1971).